STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple – Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291

Fax: (801) 359-3940

ANNUAL REPORT OF MINING OPERATIONS

The information requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I.	Gene	ral Information
	1.	Report Time Period: From (mo./yr.) 1/2003 To (mo./yr.) 12/2003
	2.	DOGM File Number (Mine No.): M/047/007
	3.	Mine Name: Vernal Phosphate Operations
	4.	Mineral(s) Mined (or permitted to mine): Phosphate Rock
	5.	Type of mine X Surface Mine or □ Underground Mine
	6.	Legal Description (Location of Lands Affected):
		1/4,1/4, Section 19 , Township 25 , Range 22E
		1/4,1/4,1/4,Section <u>18</u> , Township <u>25</u> ,Range <u>22E</u>
		1/4,1/4,1/4, Section <u>24</u> , Township <u>25</u> , Range <u>21E</u>
7.	Nam	e of Operator or Company: SF Phosphates Limited Company
	8.	Permanent Street Address: 9401 North Highway 191
		City, State, Zip: Vernal, UT 84078
		Phone: (435) 781-7795 Fax: (435) 789-2944
	9.	Company Representative (or designated operator):
		Name: Seth McCourt
		Title: Environmental/Mining Engineer
		Business Address: 9401 North Highway 191
		City, State, Zip: Vernal, UT 84078
		Phone: (435) 781-3348 Fax: (435) 781-3332 RECEIVED
		Please check if any of the above information has changed since previous year. JAN 2 8 2004
II.	Minii	ng and Reclamation
		DIV. OF OIL, GAS & MINING
	1.	Was there any mine related activity during the past year? Yes ✗ No □
	2.	If no – what was the last year of activity?
	3.	If yes – how much ore or mineral was mined? 3,735,000 tons

4.	Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.
	Topsoil was stripped and stockpiled prior to overburden removal with a
	total of 5,891,000 bey of overburden being stripped in Panels B and C.
-	
5. 6.	How much additional acreage was disturbed during the past year? 86.4 acres How much acreage was reclaimed during the past year? 5.6 acres
7.	Briefly describe the reclamation work performed during the past year. This description
	should include methods employed, and an evaluation of the results.
	A total of 67.3 acres were regraded, contoured and topsoil spread with 5.6
	acres being reseeded. A wetter/warmer fall followed by early winter
	conditions prevented reseeding of the remaining 61.7 acres. The unseeded
0	areas will be seeded in the spring of 2004.
8. 9.	What is the total disturbed acreage of entire project at years end? 673.4 acres
2.	Briefly summarize any mining and/or reclamation plans for the upcoming year. Mining will continue in Panels B and C for 2004. Concurrent reclamation
	practices will continue in both areas. The areas were regarded, contoured
	and topsoil spread in 2003 will be reseeded in the spring of 2004.
NOTE:	Section III., "Additional In formation" applies only to <u>large mining operations.</u>
III. Addition	nal Information – R647-4-121.2 and .3
1.	The operator shall include an updated map depicting surface disturbances and reclamation performed during the year, prepared in accordance with Rule R647-4-105.
2.	The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.
IV. Signatur	re Requirement
I h	ereby certify that the foregoing is true and correct.
	Name (Type or Print): Eric Schillie
	Title of Operator: General Manager
	Signature of Operator:
	Date: //27/04



SIMPLOT PHOSPHATES LLC (435) 789-7795 9401 NORTH HWY. 191

VERNAL, UTAH 84078

January 21, 2004

D.Wayne Hedburg, Permit Supervisor Department of Natural Resources Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801

RE: Annual Report for the Year 2003 and Notification of Name Change

Dear Mr. Hedburg,

Please find enclosed the Annual Report for Simplot Phosphates Vernal Phosphate Operation for 2003 as required by Rules R647-3-116 and R645-4-121. Mining operations resumed as projected in 2002 for 2003.

Also, please be aware that SF Phosphates LLC is now Simplot Phosphates LLC. This change in name was associated with the J.R. Simplot acquiring Farmland's interests in SF Phosphates. I am currently in the process of changing the name on the reclamation bond and will provide the amended bond to you when I receive it. I had previously inquired about the process of changing the name with your Division and understood that it was basically a name change since the Company Official that signed the Reclamation Contract is still in place. If there are additional forms or documents required, please contact me at your earliest convenience.

If you have any questions or concerns, please feel free to contact me at (435) 781-3348.

Sincerely,

Seth McCourt

Environmental/Mining Engineer

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DIV. OF OIL, GAS & MINING

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